Model #1

City operated and managed moorage. City is the lead on all capital improvements.

Pros:

- Benefits smaller vessels
- More community oriented
- Higher maintenance standard
- Direct accountability to the owner *
- May save money
- Improvements are publicly owned/ more control
- Success would be owned
- City can do an outstanding job
- Access to debt financing
- Quickly pivot
- Ability to direct capital improvements and to address constituent/City concerns
- More control over facility design
- Direct line of responsibility for operations and conditions
- In-City advocate for marinas
- Potential for overall “water facilities” supervisor, similar to golf

Cons:

- Changes can take longer
- May overlook small details
- Doesn’t seem desirable to the City
- Lack of expertise *
- Need to train or hire staff qualified for the work
- Operating costs could be higher *
- Slower to make changes
- More vulnerable to budget swings *
- Less efficient *
- May not be a priority
- Marketing facility not a specialty of government
- Longer time for capital improvements

Model #2

Third party operates the moorage. City is the lead on all capital improvements.

Pros:

- More control over City design
- Expertise – run well
- Vacancies decreased if incentives are in place
- Lessons to build on
- City gets money cheaper
- City still owns assets
- City has great project managers
- If contract is property managed/written *
- Non-profit – ability to raise money
- Potential for an experienced operator, if property selected by RFP
- Might separate cash flow from maintenance/capital improvement funding if City treats marinas as important assets

Cons:

- May not be as easy to make changes if set contract
- Splits management and capital in half
- City less connected
- Could end up in same situation
- Most carefully structured contract
- City attention has been lacking
- Limits to small scale – mom/pop operator
- Risk of poor management due to low rates of return
- Depends on strength of operating agreement to assure city attention to timely maintenance and capital improvements
- Higher cost and longer time for capital improvements

Model #3

Third party operates the moorage. Third party leverages the $4 million in City funds with their own resources. Third party manages the capital improvements (moorage stays in public ownership).

Pros:

- Profit incentive
- Could happen quickly – get work done
- Good examples exist
- Spreads scope of improvements w/o city revenues
- High level of professional expertise
- Maintained
- Most likely to be financially sustainable
- Kept up overtime
- Greater capital improvements
- Each side can leverage resources
- Additional resources the City doesn't have
- Potentially more streamlined redevelopment process
- Potentially more interesting to experienced private operator
- A clear contract and business plan would need to be in place

Cons:

- Tightly watched
- Lose some control
- Narrow list of potential operators
- Higher user fees *
- High cost of raising capital
- Less accountability
- Too much separation from City
- Improvements may not align with City/tenant goals
- Outside normal City contracting process
- Potential operator/owner conflicts
- As lease gets close to end, improvements suffer
- Investor expects a certain return
- Needs active City and tenant oversight and auditing to assure contract conformance

by private operator
- Lending of City credit issues?

Model #4

For the last two models, operational model includes managing both Leschi and Lakewood moorages.

Pros:
- Economies of scale better
- Cost effective
- Market both
- Coordinate moorage openings with the two facilities
- If third party purely managing
- Potential greater earnings for private operator = better staffing

Cons:
- Different communities
- Too generic
- Office more likely to be at Lakewood
- Cost more for the City
- If includes capital improvements
- Different short-term needs